

THE MONTROSE DEMOCRAT.

A. J. GERRITSON, Publisher.

MONTROSE, PA., THURSDAY, DEC. 17, 1863.

VOLUME XX. NUMBER 50.

BUSINESS CARDS.

H. GARRATT,

DEALER in Flour, Feed, and Meal, Barrell and Dairy Milk, Timothy and Clover Seed, Groceries, Provision, Fruit, Fish, Petroleum Oil, Wooden and Stone Ware, Yankee Notions, &c. &c. Opposite Railroad Depot, New Milford, Pa. Feb 24, 1863—17.

LATHROP, TYLER & RILEY,
DEALERS in Dry Goods, Groceries, Hardware, Ready Made Clothing, Boots & Shoes, Hats & Caps, Wood & Willow Ware, Iron, Nails, Sole & Rigger Leather, Fish, Flour and Salt, all of which they offer at the very lowest prices.
Lathrop's Brick Building, Montrose, Pa. April 6, 1863.

EVAN JENKINS,
Licensed Auctioneer,
FOR SUSQUEHANNA COUNTY.
(Post Office address, Dundaff, or South Gibson, Susq. County, Penn'a.)
Feb. 3, 1863.—1740

WM. H. COOPER & CO.,
BANKERS.—Montrose, Pa. Successors to Post, Cooper & Co. Office, Lathrop's new building, Turnpike-st. J. B. McCallum, D. W. Sealie.

MCCOLLUM & SEARLE,
ATTORNEYS and Counselors at Law.—Montrose, Pa. Office in Lathrop's new building, over the Bank.

DR. H. SMITH & SON,
SURGEON DENTISTS.—Montrose, Pa. Office in Lathrop's new building, over the Bank. All Dental operations will be performed in good style and warranted.

JOHN SAUTTER,
FASHIONABLE TAILOR.—Montrose, Pa. Shop over I. N. Bullard's Grocery, on Main-street. Thankful for past favors, he solicits a continuance—pledging himself to do all work satisfactorily. Cutting done on short notice, and warranted to fit. Montrose, Pa., July 27th, 1860.—U.

P. LINES,
FASHIONABLE TAILOR.—Montrose, Pa. Shop in Phoenix Block, over store of Read, Watsons & Foster. All work warranted, as to fit and finish. Cutting done on short notice, in best style. Jan 20

JOHN GROVES,
FASHIONABLE TAILOR.—Montrose, Pa. Shop near the Baptist Meeting House, on Turnpike-street. All orders filled promptly, in first-rate style. Cutting done on short notice, and warranted to fit. Montrose, Pa.

L. B. ISBELL,
REPAIRS Clocks, Watches, and Jewelry at the shortest notice, and on reasonable terms. All work warranted. Shop in Chandler and Jessup's store, Montrose, Pa.

WM. W. SMITH,
CABINET AND CHAIR MANUFACTURERS.—Foot of Main street, Montrose, Pa. Aug 17

C. O. FORDHAM,
MANUFACTURER OF BOOTS & SHOES, Montrose, Pa. Shop over Dewitt's store, on Turnpike-street. Made to order, and repairing done neatly. Feb 7

ABEL TURRELL,
DEALER in Drugs, Medicines, Chemicals, Dry Goods, Glass Ware, Paints, Oils, Yarns, and Groceries, Fancy Goods, Jewelry, Perfumery, &c.—Agent for all the most popular PATENT MEDICINES.—Montrose, Pa. Aug 17

DAVID C. ANEY, M. D.,
HAVING located permanently at New Milford, Pa. will attend promptly to all cases with which he may be favored. Office "Tobacco Hotel." New Milford, July 17, 1861

MEDICAL CARD.
DR. E. PATRICK, & DR. E. L. GARDNER
LATE GRADUATE OF THE MEDICAL DEPARTMENT OF YALE COLLEGE, have formed a partnership for the practice of Medicine and Surgery, and are prepared to attend to all business faithfully and punctually, that may be intrusted to their care, on terms commensurate with the times.
Diseases and deformities of the EYE, surgical operations, and all surgical diseases, particularly attended to. Office over Webb's store. Office hours from 9 a. m. to 3 p. m. All sorts of country produce taken in payment, at the highest value, and cash not returned. Montrose, Pa., May 7th, 1862.—417

TAKE NOTICE!
Cash Paid for Hides.
Cash Paid for Hides, Musk, and all kinds of Furs. A good assortment of Leather and Boots and Shoes constantly on hand. Office, Turnpike, and Shop on Main Street. Montrose, Feb. 6th. A. P. & L. C. KEELER

FIRE INSURANCE.
THE INSURANCE CO. OF NORTH AMERICA,
AT PHILADELPHIA, PA.
Has established an Agency in Montrose.

The Oldest Insurance Co. in the Union.
CASH CAPITAL PAID IN.....\$500,000.
ASSETS OVER.....\$1,300,000.

THE rates are as low as those of any good company in New York, or elsewhere, and its Directors are among the first for honor and integrity.
CARLES PLATT, Secy. ARTHUR G. COFFIN, Pres. Montrose, July 15, '63. BILLINGS STROUD, Agt.

HOME INSURANCE COMPANY,
Of New-York.
CASH CAPITAL, ONE MILLION DOLLARS.
ASSETS 1st July 1860, \$1,481,819.27.
LIABILITIES, " " 49,068.63.

J. Milton Smith, Secy. Chas. J. Martin, President.
John McGee, Asst. A. F. Willmarth, Vice.

Policies issued and renewed by the undersigned at this office, in the Brick Block, Montrose, Pa. nov 29

BILLINGS STROUD, Agent.
S. M. Pettengill & Co.,
NO. 37 PARK ROW, New York, and 6 State Street, Boston, are agents for the Montrose Democrat in these cities, and are authorized to take advertisements and subscriptions for us at our lowest rates.

REMITTANCES
To England, Ireland and Scotland.
ABRAHAM BELL'S SON'S DRAFTS, in sums of one pound and upwards, payable in all the principal towns of England, Ireland and Scotland, for sale by WM. H. COOPER & CO., BANKERS, Montrose, Pa. 80—63

J. B. HAZLETON,
Ambrotype and Photographic
Artist, Montrose, Pa.
Pictures taken in all kinds of weather, in the best style of the Art.

PRESIDENT'S MESSAGE.

Fellow-citizens of the Senate and House of Representatives: Another year of health and of sufficiently abundant harvests has passed. For these, and especially for the improved condition of our national affairs, our renewed and profound gratitude to God is due.

OUR FOREIGN RELATIONS.

We remain in peace and friendship with foreign powers. The efforts of disloyal citizens of the United States to involve us in foreign wars, to aid in inexcusable insurrection, has been unavailing. Her Britannic Majesty's government, as was justly expected, have exercised their authority to prevent the departure of new hostile expeditions from British ports. The Emperor of France has by a like proceeding, promptly vindicated [the neutrality he proclaimed at the beginning of the contest. Questions of great intricacy and importance have arisen out of the blockade, and other belligerent operations between the government and several of the maritime powers, but they have been discussed, and so far as possible, accommodated in a spirit of frankness, justice and mutual good will. It is especially gratifying that our Prize Courts, by the impartiality of their adjudications have commanded the confidence and respect of maritime powers.

The supplemental treaty between the United States and Great Britain for the suppression of the African slave trade, made on the 17th day of February last, has been duly ratified and carried into execution. It is believed, that so far as American ports and American citizens are concerned, that inhuman and barbarous traffic has been brought to an end.

I shall submit for the consideration of the Senate a Convention for the adjustment of possessory claims in Washington Territory, arising out of the treaty of the 15th of June, 1846, between the United States and Great Britain, and which have become the source of some disquiet among the citizens of that now rapidly improving part of the country.

A novel and important question, involving the extent of the maritime jurisdiction of Spain in the waters which surround the island of Cuba, has been debated without reaching any agreement, and it is proposed in an amicable spirit, to refer it to the arbitration of a friendly power. A communication for that purpose will be submitted to the Senate.

I have thought it proper, subject to the approval of the Senate, to concur with the interested commercial powers in an arrangement for the liquidation of the Scheldt dues upon the principles which have been heretofore adopted in regard to the imposts upon navigation in the waters of Denmark. The long pending controversy between this government and that of Chili, touching the seizure at Silina, in Peru, by Chilean officers, of a large amount of treasure belonging to citizens of the United States, has been brought to a close by the award of his majesty the King of the Belgians, to whose arbitration the question was referred by the parties. The subject was thoroughly and patiently examined by that justly respected magistrate; and although the sum awarded to the claimants may not have been so large as they expected, there is no reason to distrust the wisdom of his majesty's decision. That decision was promptly complied with by Chili when intelligence in regard to it reached that country.

The joint commission under the act of the last session for carrying into effect the convention with Peru on the subject of claims has been organized at Lima and is engaged to the business entrusted to it. Difficulties concerning inter-oceanic transit through Nicaragua are in course of amicable adjustment. In conformity with the principles set forth in my last annual message, I have received a representative from the United States of Colombia and have credited a minister to that Republic.

RIGHTS OF FOREIGNERS.

Incidents occurring in the progress of our civil war have forced upon my attention the uncertain state of international questions touching the rights of foreigners in this country, and of United States citizens abroad. In regard to some governments, these rights are, at least, partially defined by treaties. In no instance, however, is it expressly stipulated that in the event of civil war, a foreigner residing in this country, within the line of the insurgents, is to be exempted from the rule which classes him as a belligerent, in whose behalf the government of his country cannot express any privileges or immunities distinct from that character. I regret to say, however, that such claims have been put forward, and in some instances in behalf of foreigners who have lived in the United States the greater part of their lives.

There is reason to believe that many persons born in foreign countries, who have declared their intention to become citizens, or who have been fully naturalized, have evaded the military duty required of them by denying the fact, and thereby throwing upon the government the burden of proof. It has been found difficult or impracticable to obtain this

proof from the want of guides to the proper sources of information. These might be supplied by requiring the clerks of Courts, where declarations of intention may be made or naturalizations effected, to send periodically lists of the names of the persons naturalized or declaring their intention of becoming citizens, to the Secretary of the Interior, in whose department these names might be arranged, and printed for general information. There is also reason to believe that foreigners frequently become citizens of the United States for the sole purpose of evading the duties imposed by the laws of their native country, to which, on becoming naturalized here, they at once repair, and then never returning to the United States, they still claim the interposition of this government as citizens. Many alterations and great prejudices have heretofore arisen out of this abuse. It is therefore submitted to your serious consideration. It might be advisable to fix a limit beyond which no citizen of the U. S. residing abroad may claim the interposition of his government. The right of suffrage has often been assumed and exercised by aliens under pretences of naturalization, which they have disavowed when drafted into the military service. I submit the expediency of such an amendment of the laws as will make the fact of voting an estoppel against any plea of exemption from military service or other civil obligations on the ground of alienage.

OUR INTERCOURSE WITH EUROPE.

In common with other western powers our relations with Japan have been brought into serious jeopardy through the perverse opposition of the hereditary aristocracy of the empire to the enlightened and liberal policy of the Tyeoon, designed to bring the country into the society of nations. It is hoped, although not with entire confidence, that these difficulties may be peaceably overcome.

I ask your attention to the claim of the minister residing there for the damage sustained in the destruction by fire of the residence of the legation at Yeddo.

Satisfactory arrangements have been made with the emperor of Russia, which it is believed will result in effecting a continuous line of telegraph thro' the Empire from our Pacific coast. I recommend to your favorable consideration the subject of an international telegraph across the Atlantic ocean, and also of a telegraph between this capital and the national forts along the Atlantic sea-board and the Gulf of Mexico. Such communications established with any reasonable outlay, would be economical as well as effective aids to the diplomatic, military and naval service.

The consular system of the United States under the enactments of the last Congress, begins to be self-sustaining, and there is reason to hope that it may become entirely so with the increase of trade which will ensue when peace is restored. Our ministers abroad have been faithful in defending American rights. In protecting our commercial interests, our consuls have necessarily had to encounter increased labors and responsibilities, growing out of the war. These they have, for the most part, met and discharged with zeal and efficiency. This acknowledgment justly includes those consuls who, residing in Morocco, Egypt, Turkey, Japan, China, and other Oriental countries, are charged with complex functions and extraordinary powers.

CONDITION OF THE TERRITORIES.

The condition of the several organized territories is generally satisfactory, altho' the Indian disturbances in New Mexico have not been entirely suppressed. The mineral resources of Colorado, Nevada, Idaho, New Mexico and Arizona are proving far richer than has heretofore been understood. I lay before you a communication on this subject from the Governor of New Mexico. I again submit to your consideration the expediency of establishing a system for the encouragement of immigration. Although this source of national wealth and strength is again flowing with greater freedom than for several years before, the insurance occurred, there is still a great deficiency of laborers in every field of industry, especially in agriculture and in our mines, as well of iron and coal as of the precious metals. While the demand for labor is thus increased here, tens of thousands of persons, destitute of remunerative occupation, are thronging out foreign consulates, and offering to emigrate to the United States, if essential but very cheap assistance can be afforded to them. It is easy to see that under the sharp discipline of civil war, the nation is beginning a new life. This noble effort demands the aid, and ought to receive the attention and support of the government.

INJURIES TO FOREIGNERS.

Injuries unforeseen by the government, and unintended, may in some cases have been inflicted upon the subjects or citizens of foreign countries, both on sea and on land, by persons in the service of the United States. As the government expects redress from other powers when similar injuries are inflicted by persons in their service upon citizens of the United States, we must be prepared to do justice to foreigners. If the existing judicial tribunals are inadequate for this purpose a special

court may be authorized, with power to hear and decide such claims of the character referred to as may have arisen under treaties and the public law. Conventions for adjusting the claims by joint commission have been proposed to some governments, but no definite answer to the proposition has yet been received from any.

In the course of the session I shall probably have occasion to request you provide indemnification to claimants where decrees of restitution have been rendered and damages awarded by the Admiralty Courts. And in other cases, where this government may be acknowledged to be liable in principle, and when the amount of that liability has been ascertained by an informal arbitration, the proper officers of the treasury have deemed themselves required by the laws of the United States upon the subject to demand a tax upon the incomes of foreign consuls in this country. While such a demand may not, in strictness, be a derogation of public law, or perhaps of any existing treaty between the United States and a foreign country, the expediency of so far modifying the act as to exempt from tax the incomes of such consuls as are not citizens of the United States, derived from the emoluments of their office, or from property not situated in the United States, is submitted to your serious consideration. I make the suggestion upon the ground that a comity, which ought to be reciprocated, exempts our consuls in all other countries from taxation. To the extent thus indicated, the United States, I think, ought not to be exceptionally illiberal to international trade and commerce.

THE TREASURY DEPARTMENT.

The operations of the Treasury during the last year have been successfully conducted. The enactment by Congress of a National banking law has proved a valuable support of the public credit, and the general legislation in relation to loans has fully answered the expectations of its favorers. Some amendments may be required to perfect existing laws, but no change in their principles or general scope is believed to be needed.

Since these measures have been in operation all demands upon the treasury, including the pay of the army and navy, have been promptly met and fully satisfied. No considerable body of troops, it is believed, were ever more amply provided and more liberally and punctually paid, and it may be added that by no people were the burdens incident to a great war ever more cheerfully borne.

The receipts during the year from all sources, including loans and the balance in the treasury at its commencement were \$901,125,674 86—the aggregate disbursements \$895,798,630 85, leaving a balance on the 1st of July, 1863, of \$5,329,044 21. Of the receipts, there were derived from customs, \$69,059,642 40. From internal revenue, \$87,640,787 95. From direct taxes, \$1,485,103 61. From lands \$187,617 17. From miscellaneous sources, \$3,046,915 85, and from loans, \$776,692, 381 57, making the aggregate, \$901,125, 674 86.

Of the disbursements there were for the civil service, \$23,253,922; for pensions, Indians, &c., \$4,216,520 59; for interest on public debt, \$24,729,846 51; for the war department, \$599,298,600 83; for the navy department, \$63,211,105 27; for the payment of the funded and temporary debt, \$121,088,836 07, making the aggregate \$895,798,630 85; and leaving the balance of \$5,329,044 21.

But the payments of the funded and temporary debt having been made from monies borrowed during the year, must be regarded as merely nominal payments, and the moneys borrowed to make them as merely nominal receipts, and their amount, \$181,088,655 07, should therefore be deducted both from the receipts and disbursements.

This being done, there remains as actual receipts \$720,039,039 79, and the actual disbursements \$714,709,995 58, leaving the balance as already stated.

The actual receipts and disbursements for the first quarter, and the estimated receipts and disbursements for the remaining three quarters of the current fiscal year of 1864, will be shown in detail by the report of the Secretary of the Treasury, to which I invite your attention.

It is sufficient to say here that it is not believed that the actual results will exhibit a state of the finances less favorable to the country than the estimates of that officer heretofore submitted, while it is confidently expected that as the close of the year both disbursements and debts will be found very considerably less than has been anticipated.

THE WAR DEPARTMENT.

The report of the Secretary of War is a document of great interest. It consists of—
1. The military operations of the year, detailed in the report of the General-in-Chief.
2. The organization of colored persons into the war service.
3. The exchange of prisoners fully set forth in the letter of Gen. Hitchcock.
4. The operations under the conscription act, detailed in the report of the Provost Marshal General.
5. The organization of the Invalid Corps.
6. The operation of the several Departments of the Quartermaster, Commissary,

Paymaster and Surgeon Generals, and the Chiefs of Ordnance and Engineers.

It has appeared impossible to make a reliable summary of this report, except such as would be too extended for this place, and hence I content myself by assuring your attention to the report itself.

THE NAVY DEPARTMENT.

The duties devolving on naval branch of the service during the year, and throughout the whole of the unhappy contest have been discharged with fidelity and eminent success.

The extensive blockade has been constantly increasing in efficiency as the navy has expanded; yet on so long a line it has so far been impossible to entirely suppress illicit trade.

From the returns received at the navy department, it appears that more than 1000 vessels have been captured since the blockade was instituted, and that the value of prizes already sent in for adjudication amounts to over \$13,000,000.

The naval force of the United States consists at present of 588 vessels completed and in course of completion, and 75 of these are iron clad, armored steamers. The events of the war give an increased interest and importance to the navy that will probably extend beyond the war itself.

The armored vessels in our navy, completed and in service, or which are under contract and approaching completion, are believed to exceed in number those of any other power; but while these may be relied upon for harbor defence and coasting service, others of greater strength and capacity will be necessary for cruising purposes, and to maintain our rightful position on the ocean. The change that has taken place in naval vessels and naval warfare since the introduction of steam as a motive power for ships of war, demands either a corresponding change in some of our existing navy yards, or the establishment of new ones, for the construction or necessary repairs of modern naval vessels. No inconsiderable embarrassment, delay, or public injury have been experienced by the want of such Government establishments.

The necessity of such a navy yard so furnished at some suitable place upon the Atlantic sea-board has, on repeated occasions, been brought to the attention of Congress by the navy department, and is again presented in the report of the Secretary, which accompanies this communication.

I think it my duty to invite your special attention to this subject, and also to that of establishing a yard depot upon one of the Western rivers. A naval force has been created on those interior waters, and under means disadvantageous, within little more than two years, exceeding in numbers the whole naval force of the country at the commencement of the present administration. Satisfactory and important as have the performances of the heroic men of the navy at this interesting period, they are scarcely more wonderful than the success of our mechanics and artisans in the production of war vessels, which have created a new form of naval power.

Our country has advantages superior to any other nation in our resources of iron and timber, with inexhaustible quantities of fuel in the immediate vicinity of both, and all available and in close proximity to navigable waters. Without the advantage of public works, the resources of the nation have been developed and its power displayed in the construction of a navy of such vast magnitude, which has at the very period of its creation rendered signal service to the Union.

The increase of the number of seamen in the public service from 7,500 in 1861 to about 34,000 at the present time, has been accomplished without special legislation or extraordinary bounties, to promote the increase. It has been found, however that the operation of the draft, with high bounties paid for army recruits, is injurious to the navy service, and will, if not corrected, be likely to impair its efficiency by detaching seamen from their proper vocation, and inducing them to enter the army. I therefore respectfully suggest that Congress might aid both the army and naval services by a definite provision on this subject, which would at the same time be equitable to the communities more especially interested.

I commend to your consideration the suggestions of the Secretary of the navy, in regard to the policy of fostering and training seamen, and also the education of officers and engineers for the naval service. The Naval Academy is rendering signal service in preparing midshipmen for the highly responsible duties which in after life they will be required to perform.

In order that the country should not be deprived of the proper quota of educated officers, for which legal provision has been made at the naval school, the vacancies caused by the neglect or omission to make nominations from the States in insurrection, have been filled by the Secretary of the Navy. The school is now more complete than at any former period, and in every respect entitled to the favorable consideration of Congress.

THE POST-OFFICE DEPARTMENT.

During the past fiscal year the financial condition of the Post-Office Department has been one of increasing prosperity, and I am gratified in being able to state that

the actual Postal Revenue has nearly equalled the entire expenditures, the latter amounting to \$11,314,206.84, and the former to \$11,163,789.50, leaving a deficiency of but \$150,416.28.

In 1860, the year immediately preceding the rebellion, the deficiency amounted to \$5,656,705.49; the postal receipts of that year being \$2,645,722.10 less than those of 1859. The decrease since 1860, in the annual amount of transportation has been only about twenty five per cent., but the annual expenditure on account of the same has been reduced thirty-five per cent. It is manifest, therefore, that the Department may become self-sustaining in a few years, even with the restoration of the whole service.

The International Conference of postal delegates from the principal countries of Europe and America, which was called at the suggestion of the Postmaster-General, met in Paris on the 11th of May last and concluded its deliberations on the 8th of June. The principles established by the conference as best adapted to facilitate postal intercourse between nations, and as the basis of future conventions, inaugurate a general system of uniform international charges at reduced rates of postage and cannot fail to produce beneficial results.

THE INTERIOR DEPARTMENT.

I refer you to the report of the Secretary of the Interior, which is herewith laid before you, for useful and varied information in relation to the Public Lands, Indian Affairs, Patents, Pensions, and other matters of public concern, pertaining to this Department.

The quantity of land disposed of during the last and first quarter of the present fiscal year was 3,841,549 acres, of which 161,911 acres were sold for cash, 1,456, 514 acres were taken up under the homestead law, and the residue disposed of under laws granting lands for military bounties, for railroad and other purposes. It also appears that the sale of public lands is largely on the increase. It has long been a cherished opinion of some of our wisest statesmen that the people of the United States had higher and more enduring interest in the early settlement and substantial cultivation of the public lands, than in the amount of direct revenue to be derived from the sale of them.

This opinion has had a controlling influence in shaping legislation upon the subject of our national domain. I may cite as evidence of this, liberal measures adopted in reference to actual settlers.—The grant to the States of the overflowed lands within their limits, in order to their being reclaimed and rendered fit for cultivation, and the grant to railroad companies of alternate sections of land upon the contemplated lines of their road, when completed, will largely multiply the facilities for reaching our distant possessions.

This policy has received its most signal and beneficent illustration in the recent enactment granting homesteads to actual settlers. Since the first of January last, the before-mentioned quantity of 1,456, 514 acres of land have been taken up under its provisions. This fact, and the amount of sales, furnish gratifying evidence of increasing settlement upon the public land, notwithstanding the great struggle which the energies of the nation have been engaged in, and which has required so large a withdrawal of our citizens from their accustomed pursuits.

I cordially concur in the recommendation of the Secretary of the Interior, suggesting a modification of the act in favor of those engaged in the military and naval service of the United States. I doubt not that Congress will cheerfully adopt such measures as will, without essentially changing the general features of the system, secure to the greatest practicable extent, its benefits to those who have left their homes in the defence of the country in this arduous crisis.

I invite your attention to the views of the Secretary as to the propriety of raising by appropriate legislation a revenue from the mineral lands of the United States.

The measures provided, at your last session, for the removal of certain Indian tribes, have been carried into effect. Sundry treaties have been negotiated which will in due time, be submitted for the constitutional action of the Senate. They contain stipulations for extinguishing the customary rights of the Indians, to large and valuable tracts of land.

It is hoped that the effects of these treaties will result in the establishment of a permanent friendly relation with such of these tribes as have been brought into frequent and bloody collisions with our outlying settlements and emigrants. Good policy and our imperative duty to these wards of the Government, demand our constant attention, to their material well being, to their progress in the arts of civilization, and above all, to the moral training, which, under the blessing of Divine Providence, will confer upon them the elevated and ennobling influence, the hope and consolation of the Christian faith.

I suggested in my last message, the propriety of remodeling our Indian system. Subsequent events have satisfied me of the necessity. The details set forth in the report of the Secretary will evince the urgent need for immediate legislative action. I commend the benevolent institutions established or patronized by the Government in this District to your generous and fostering care.